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Report of the Trade and Development Board on its thirty-sixth executive session*

Geneva, 3 May 2005

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Chapter I

Opening statements

1. The Officer-in-Charge of the United Nations Conference on Trade and Development (UNCTAD) said that the Board's thirty-sixth executive session was being held against the backdrop of a series of activities of the international community in support of the Millennium Development Goals leading up to the 2005 World Summit in September. The Millennium Declaration and the Secretary-General's road map contained objectives that the international community and the United Nations system shared unequivocally. UNCTAD had been very much associated with the process, within its mandate of promoting the beneficial integration of developing countries into the international economic system.

2. The report of the United Nations Secretary-General entitled "In larger freedom: towards development, security and human rights for all" (A/59/2005 and Add.1-3), which was being discussed under the cluster established by the President of the General Assembly to deal with development issues, was directly relevant to the work and mandate of UNCTAD. The section of the report on national strategies highlighted the importance of growth-oriented economic policies and discussed investment, as well as science, technology and innovation. The section on goal 8 and the role of trade and financing for development covered official development assistance, debt and trade and made proposals drawing directly on those developed and confirmed at the eleventh session of UNCTAD and other major United Nations conferences.

3. The São Paulo Consensus concluded that, for full development gains to be reaped from the multilateral trading system, trade issues needed to be addressed together with other aspects of the international economic system and within a broader context of development. International systemic coherence therefore assumed particular importance. As also pointed out in the Consensus, to realize the potential from a successful conclusion to the multilateral trade negotiations, all groups of developing countries and all regions must be in a position to exploit increased trading opportunities. This would require efficient physical infrastructure; effective institutional arrangements and administrative procedures; the development of human resources; access to financing; an investment- and business-friendly environment; and appropriate domestic policies and regulatory frameworks. Thus, the São Paulo Consensus and the millennium agenda were in agreement.

4. Two ideas followed from this observation: first, a successful conclusion to the Doha Development Agenda was needed urgently. Such an outcome, however, would be the beginning — not the end — of a process, since action and measures would still be needed to enable developing countries, notably the least developed countries and countries with special needs, to seize the opportunities offered. Second, for this to materialize and to enable developing counties to meet the Millennium Development Goals, there was a need for development solidarity. Trade must be an instrument to accelerate growth and development and fight poverty.

5. The representative of the Democratic Republic of the Congo, speaking on behalf of the Group of 77 and China, said that, in a key year for the United Nations, it was important for the UNCTAD intergovernmental process to make a contribution to the substantive preparatory process for the 2005 World Summit, while respecting

the differing mandates of New York and Geneva. To that end, there should be a special session of the Board, preferably at a high level, on a date that would highlight the meeting and maximize the level of participation. The event could focus on the continuing contribution of UNCTAD towards the follow-up to the relevant United Nations development conferences, including the Millennium Summit. The format could follow that of the Commissions, namely, an interactive panel discussion involving high-level officials and experts, with an opportunity for member States to articulate their views. The outcome of the event would be a report by the President of the Board to the General Assembly.

6. With regard to the financing of experts, he expressed appreciation for the ongoing preliminary discussions to find a long-term and predictable solution to the issue, and he expressed support for the efforts to achieve substantive progress in time for the Working Party's resumed session at the end of May. He noted the positive spirit of the Group's development partners.

7. The representative of Luxembourg, speaking on behalf of the European Union and the acceding States of Bulgaria and Romania, welcomed the new format of the UNCTAD *Annual Report 2004* and the fact that part two of the report, on results and accomplishments, was based on the themes of the São Paulo Consensus. This approach brought out the efforts made to achieve greater coherence among all the various activities of UNCTAD. It was by no means obvious, however, that the abundance of activities was in line with the objectives set for the eleventh session of UNCTAD by the former Secretary-General of UNCTAD, namely, that activities should be results-oriented, that they should focus on issues of real interest to developing countries and that they should help to strengthen multilateralism and the United Nations reform process. The European Union had underlined the need to set priorities for UNCTAD activities and had suggested that the main priorities should be to integrate trade into national and regional development strategies without neglecting the links between production, economic growth, trade and poverty reduction strategies; to promote regional integration and South-South trade; and to help solve the problems faced by countries dependent on agricultural commodities. Finally, concerning the financing of experts, he welcomed the progress made in the consultations on the issue and hoped that those consultations would continue with a view to finding a solution acceptable to all.

8. The representative of Benin, speaking on behalf of the least developed countries, expressed satisfaction with the work of the Commissions and welcomed the attention given to the concerns of the least developed countries. However, much remained to be done to meet their growing needs, and the Commissions' conclusions and recommendations must be followed up by both the secretariat and member States. The outcomes of the Commissions' sessions would be meaningful only if they helped to strengthen the capacities of least developed countries and assisted them in better understanding the multilateral trading system and benefiting from the opportunities provided by liberalization in order to develop and to overcome poverty, hunger, ignorance, disease and inequality.

Chapter II

Matters requiring action by the Board arising from or related to reports and activities of its subsidiary bodies

(Agenda item 2)

Report of the Commission on Trade in Goods and Services, and Commodities on its ninth session (14-18 March 2005)

9. The representative of Honduras, speaking in his capacity as President of the Commission on Trade in Goods and Services, and Commodities at its ninth session, introduced the Commission's report (TD/B/COM.1/73).

Action by the Board

10. The Board took note of the report of the Commission, endorsed the recommendations contained therein, approved the provisional agenda for the Commission's next session and approved the topics for the next cycle of expert meetings.

Statements

11. The representative of Morocco drew attention to the importance that the African Group attached to the Commission's decision to have an ad hoc expert meeting on the insurance sector back-to-back with the expert meeting on distribution services.

12. The representative of Senegal supported the statement of Morocco.

Report of the Commission on Investment, Technology and Related Financial Issues on its ninth session (7-11 March 2005)

13. The representative of Zambia, speaking in his capacity as President of the Commission on Investment, Technology and Related Financial Issues at its ninth session, introduced the Commission's report (TD/B/COM.2/66).

14. The representative of Japan said that the Japan Bank for International Cooperation (JBIC) was an independent banking entity that worked closely with the Japanese Government in connection with many projects in developing countries, including providing Asian least developed countries with policy advice on how to attract investment. Japan had led many efforts to promote African development through the Tokyo International Conference on African Development process, and its basic approach was to seek to apply Asian experience in Africa. The Bank's new activities in Kenya, Uganda and the United Republic of Tanzania were in line with that approach, and it was hoped that the joint JBIC/UNCTAD projects undertaken within the framework of those activities would enable the countries concerned to obtain tangible results in terms of attracting investment in the near future.

Action by the Board

15. The Board took note of the report of the Commission, endorsed the recommendations contained therein, approved the provisional agenda for the Commission's next session and approved the topics for the next cycle of expert meetings.

Report of the Commission on Enterprise, Business Facilitation and Development on its ninth session (22-25 February 2005)

16. The representative of Sri Lanka, speaking in her capacity as President of the Commission on Enterprise, Business Facilitation and Development at its ninth session, introduced the Commission's report (TD/B/COM.3/70).

Action by the Board

17. The Board took note of the report of the Commission, endorsed the recommendations contained therein, approved the provisional agenda for the Commission's next session and approved the topics for the next cycle of expert meetings.

Chapter III
Possible contribution to the 2005 World Summit

(Agenda item 3)

18. For its consideration of this item, the Board had before it a conference room paper on UNCTAD deliberations on the Millennium Development Goals: note by the UNCTAD secretariat.

19. The representative of Luxembourg, speaking on behalf of the European Union, said that the European Union was not opposed to the Board making a contribution to the Summit, but the form of the contribution was important. The outcome of any meeting of the Board on the issue should be a report of the President, and it should concern the contribution already made by UNCTAD. The European Union could not accept any negotiation that would reopen what had been agreed in the São Paulo Consensus adopted at the eleventh session of UNCTAD. Moreover, it should be borne in mind that the intergovernmental process for the Summit was taking place in New York and that Geneva should not interfere in that process. The proposal made by the spokesperson for the Group of 77 and China in his opening statement seemed appropriate.

20. The Officer-in-Charge of UNCTAD said that the process in New York was proceeding in accordance with the road map established by the President of the General Assembly in December 2004 and March 2005. General and cluster-by-cluster discussions had taken place in April, and the President of the General Assembly intended to produce a draft consolidated document in early June for further discussions involving all parties, including civil society and the private sector. Intensified consultations would then take place in July and August with the aim of agreeing on a composite text in time for the high-level plenary meeting in September.

21. The representative of the Democratic Republic of the Congo, speaking on behalf of the Group of 77 and China, agreed with the European Union that the São Paulo Consensus could not be reopened. Moreover, there could be no question of interfering with the process in New York, but the Board should make its expertise available, and it would be inconceivable for the Board not to participate at all. The Board could hold a one-day or half-day session, and the President could prepare a summary of the discussions to be sent to New York through the usual channels.

22. The representative of the United States of America welcomed the idea of a half-day session of the Board to allow a vigorous debate on the issue. She further welcomed the broad agreement not to reopen the São Paulo Consensus and not to pre-empt the New York process. It would be important to know exactly when the Board's meeting would take place in relation to events in New York.

23. The Officer-in-Charge of UNCTAD said that the Board could provide an input to the New York process either in June, for the first phase of the discussions on the consolidated document, or in July, for the second phase, but facilities for the Board's meeting would not be available until July.

Action by the Board

24. The Board decided to convene a half-day special session at the end of June or early July with a view to providing input to the Summit process. The main agenda item of the special session would be entitled "Contribution of the Trade and Development Board to the follow-up to the relevant United Nations development conferences, including the Millennium Summit". The discussion would be based on the São Paulo Consensus and the work done in UNCTAD since its adoption, and the paper mentioned in paragraph 18 above would be before the Board at the session. The outcome of the session would be in the form of a summary of the President of the Board, and it would be sent to the President of the General Assembly by the President of the Board as an input to the Summit process. The exact date for the special session would be the subject of consultations.

25. The representative of Egypt said that the special session should have before it comprehensive documentation that included the relevant material submitted to the Commissions. In addition, the special session should not necessarily be limited to half a day.

26. The President of the Board said that the special session would in principle last half a day, but that it could be extended into the afternoon if necessary.

27. The Officer-in-Charge of UNCTAD said that documentation could be prepared relating to the contribution of the UNCTAD intergovernmental machinery to the Millennium Development Goals, but the secretariat itself had not been invited to make its own contribution on the matter, since its views were reflected in the report of the Secretary-General of the United Nations. The secretariat would consult with delegations on the type of documentation required, but it probably would not be able to have any pre-session documentation translated for the special session because of the time constraint.

Chapter IV

Outcome of the high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development

(Agenda item 4)

28. The President of the Board said that the high-level meeting had been well attended. She had co-chaired a round table on trade, investment and private capital flows, and there had been good contributions from the private sector and civil society. In the afternoon, the outcomes of all the round tables had been presented and statements had been made by regional groups, delegations, the private sector and civil society. The meeting had provided a good opportunity for all participants to provide and receive information, and she hoped that future Board presidents would be in a position to attend future high-level meetings.

29. The Officer-in-Charge of UNCTAD said that the statement made by the President of the Board had been well received, and the role of UNCTAD in the issues under discussion had been recognized. One issue that had unexpectedly received considerable attention was that of remittances.

Chapter V

Annual report of the United Nations Conference on Trade and Development

(Agenda item 5)

30. For its consideration of this item, the Board had before it *UNCTAD Annual Report 2004* (UNCTAD/EDM/2005/1).

31. The Officer-in-Charge of UNCTAD said that, in terms of information-sharing and accountability, UNCTAD was at the forefront of efforts in the system and that it had, for example, been one of the first organizations to use the logical framework. The annual report, which had been requested by UNCTAD at its eleventh session, represented an effort to cover all activities carried out in 2004 — regular budget or extrabudgetary, intergovernmental or secretariat. It was performance-oriented, and therefore formed part of the panoply of evaluation instruments, which included the midterm review, the programme performance reports addressed to the General Assembly and the in-depth evaluations of technical cooperation programmes. The Office of Internal Oversight Services had expressed interest in the annual report as a model for other organizations. The ultimate aim of the report was to see whether UNCTAD had made a difference in the real world and what could be done to enhance its performance in that respect. The report was based on a thematic approach, and it included indicators of achievement, which were admittedly imperfect but had been applied in good faith. It was clear from the report that some activities had not been completed, but it must be borne in mind that the biennium still had a year to run. The format was designed to maximize clarity, and the language was user-friendly. The target audience was the Board, but it was hoped that other stakeholders would also be reached. He thanked Norway for its financial support for the preparation of the report.

32. The representative of Ireland congratulated the secretariat for the layout of the report, which gave a comprehensive overview of the activities and achievements of UNCTAD. The inclusion of indicators of achievement represented a major step forward.

33. The representative of Switzerland welcomed the thematic approach of the annual report, which favoured collaboration among divisions. The presentation was user-friendly and represented an excellent beginning. The third part of the report, dealing with impact, should be developed further in future editions.

Action by the Board

34. The Board took note of the annual report and of the comments made by delegations.

Chapter VI
Financing of experts

(Agenda item 6)

35. The representative of the Philippines said that, at the request of the President of the Board, he had made some very informal and preliminary contacts with some delegations and with the secretariat in order to identify possible elements for a solution to the question of financing of experts. He had sensed goodwill and willingness to explore elements of a solution that would have to be long term in nature, provide a predictable basis for financing and ensure broad representation of experts at expert meetings. He was willing to produce a "non-paper" listing possible elements for a solution and to circulate it to delegations through regional coordinators. If the response was generally positive, he offered to prepare a more structured informal paper for possible consideration by the Working Party at its resumed forty-fourth session at the end of May. The Working Party would be considering the programme budget for the next biennium and would therefore be the appropriate forum for making a recommendation to the Board on this subject.

36. The representative of the Russian Federation said that the informal consultations had proved useful and should be continued. He hoped that they would produce positive results that would serve the interests of both developing countries and countries with economies in transition.

37. The representative of Belarus said he hoped that the informal consultations would reflect the interests of both developing countries and countries with economies in transition.

Action by the Board

38. The Board invited the representative of the Philippines to continue his consultations with a view to reaching agreement in time for the resumed forty-fourth session of the Working Party, to be held on 30 and 31 May, and requested the Working Party to consider the outcome of the consultations with a view to approving it.

Chapter VII
Other business

(Agenda item 8)

39. The President of the Board drew attention to a request by the Second Committee of the General Assembly that the Committee on Conferences consider advancing the timing of the Board's regular session so that its report would be available by the middle of September. In that connection, moving the regular session of the Board in 2005 would not be possible, but the matter could be considered for the following year. She suggested that the timing and implications of any change in the regular session of the Board be discussed at the time of the monthly consultations of the President.

Chapter VIII
Institutional, organizational, administrative and related matters

(Agenda item 7)

Opening of the session

40. The session was opened by the President of the Board.

Adoption of the agenda

41. The Board adopted the provisional agenda as contained in document TD/B/EX(36)/1 (see annex I below).

Bureau

42. The Bureau of the Board was as elected at its fifty-first session. The Bureau was thus as follows:

President:
Mary Whelan (Ireland)

Vice-Presidents:
Iouri Afanassiev (Russian Federation)
Luciano Barillaro (Italy)
Doru Romulus Costea (Romania)
Sarala M. Fernando (Sri Lanka)
Kiminori Iwama (Japan)
Melissa J. Kehoe (United States of America)
Ernesto Martínez Gondra (Argentina)
Jorge Ivan Mora Godoy (Cuba)
Love Mtesa (Zambia)
Preeti Saran (India)

Rapporteur:
Patrick Krappie (South Africa)

Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure

43. The Board decided that the Agency for International Trade Information and Cooperation, on which background information was provided, should be entitled to participate in the deliberations of the Conference, the Board and its subsidiary organs.

Designation of non-governmental organizations for the purposes of rule 77 of the rules of procedure

44. The Board decided that L'Organisation camerounaise de promotion de la coopération economique internationale, on which background information was provided, should be classified in the general category in accordance with the terms of paragraph 12 (a) of Board decision 43 (VII).

45. The Board decided that 3D→Trade — Human Rights — Equitable Economy and the Centre for International Environmental Law, on which background information was provided, should be classified in the special category in accordance with the terms of paragraph 12 (b) of Board decision 43 (VII) so that they might participate in the activities of the Commission on Trade in Goods and Services, and Commodities.

46. The Board decided that Center of Concern, on which background information was provided, should be classified in the special category so that it might participate in the activities of the Commission on Investment, Technology and Related Financial Issues and the Commission on Trade in Goods and Services, and Commodities.

47. The Board took note of changes in the names of certain non-governmental organizations that already enjoyed observer status with UNCTAD, as follows:

(a) The International Federation of Purc[illegible]ing and Materials Management had changed its name to International Federation of Purchasing and Supply Management;

(b) The Liaison Office of the Rubber Industries of the European Economic Community had changed its name to European Association of the Rubber Industry;

(c) The Association of European Shipbuilders and Shiprepairers had changed its name to Community of European Shipyards' Associations;

(d) The Union of International Fairs had changed its name to The Global Association of the Exhibition Industry;

(e) The Association of the Chocolate, Biscuit and Confectionery Industries of the European Economic Community had changed its name to the Association of the Chocolate, Biscuit, and Confectionery Industries of the European Union.

Report of the Board on it thirty-sixth executive session

48. The Board authorized the Rapporteur to finalize the report on its thirty-sixth executive session under the authority of the President.

Annex I

Agenda for the thirty-sixth executive session of the Trade and Development Board

1. Adoption of the agenda
2. Matters requiring action by the Board arising from or related to reports and activities of its subsidiary bodies:
   (a) Report of the Commission on Trade in Goods and Services, and Commodities, ninth session (14-18 March 2005)
   (b) Report of the Commission on Investment, Technology and Related Financial Issues, ninth session (7-11 March 2005)
   (c) Report of the Commission on Enterprise, Business Facilitation and Development, ninth session (22-25 February 2005)
3. Possible contribution to the Millennium +5 Summit
4. Outcome of the High-level Meeting of the Economic and Social Council with the Bretton Woods institutions, WTO and UNCTAD
5. Annual report of UNCTAD
6. Financing of experts
7. Institutional, organizational, administrative and related matters:
   (a) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board
   (b) Designation of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board
8. Other business
9. Report of the Board on its thirty-sixth session

Annex II

Attendance at the thirty-sixth executive session of the Trade and Development Board*

1. The following States members of UNCTAD, members of the Board, were represented at the session:

Argentina
Bahrain
Bangladesh
Belarus
Benin
Bulgaria
Canada
China
Colombia
Congo
Côte d'Ivoire
Cuba
Czech Republic
Democratic Republic of the Congo
Dominican Republic
Egypt
El Salvador
Ethiopia
Finland
France
Germany
Ghana
Greece
Haiti
Honduras
Indonesia
Iran (Islamic Republic of)
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kazakhstan
Latvia
Lebanon
Madagascar
Malaysia
Malta
Mexico
Morocco
Mozambique
Oman
Pakistan
Philippines
Poland
Portugal
Republic of Korea
Romania
Russian Federation
Senegal
Slovakia
Spain
Sri Lanka
Sweden
Switzerland
Syrian Arab Republic
Thailand
Tunisia
Turkey
Ukraine
United Republic of Tanzania
United States of America
Venezuela (Bolivarian Republic of)
Viet Nam
Yemen
Zambia
Zimbabwe

2. The following other State member of UNCTAD, not a member of the Board, was represented as an observer at the session:

Holy See

* For the list of participants, see TD/B/EX(36)/INF.1

3. The following intergovernmental organizations were represented at the session:

African, Caribbean and Pacific Group of States

African Union

European Community

League of Arab States

Organisation internationale de la francophonie

4. The following United Nations agencies were represented at the session:

Economic Commission for Africa

United Nations Development Programme

5. The following specialized agencies and related organizations were represented at the session:

International Monetary Fund

United Nations Educational, Scientific and Cultural Organization

6. The following non-governmental organizations were represented at the session:

General category

BPW International

Exchange and Cooperation Center for Latin America

International Confederation of Free Trade Unions

Special category

International Ocean Institute